L. G. A. Loans/46

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File No.

Legal Department

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Subject

Opinions under the Local Authorities Loans Act & Rules 1923

O. L. A. Loans/46

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C O N T E N T S.

Legal Department File No. O. L.A.Loans/1946

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Serial No.	R.I./O.No.	Subject	Pages.
	O.L.A. Loans 1946	Opinions under the Local Authorities Loans Act & Rules 1923	
1	O.No.Ø617 23-1-1946	Whether under rule 7 of the rules it was obligatory for the Nadiad Burough Municipality to publish the text if the copy of the a plication from the Nadiad Municipality No. 877 dt. 30-4-45 for raising loan for finnncing its water supply and drainage scheme-- -	1-2

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Office of the R.L.A.

Rule 5 of the Local Authorities Loans Rules, 1923, provides:

"The Provincial Government shall cause such inquiry as it thinks fit to be made into the statements contained in the application and into the utility of the purpose for which the loans is proposed."

Rule 7 lays down:

"If it appears to the Provincial Government that the money ought to be borrowed, it shall cause to be published in the Bombay Government Gazette, and in such other manner as it may deem fit within the local limits of the area subject to the control of the local authority a copy of the application and such particulars in regard to any inquiry made under rule 5 as it may think necessary.

It is clear from this provision that although it is open to Government to prescribe the manner of publication in the local area, the publication of a copy of the application in that area is imperative. The mere publication of a notice in the local area that a copy of the application has been published in the Bombay Government Gazette does not amount to publication of a copy of the application in the local area. The object of publishing a copy of the application under rule 7 is to give an opportunity to the residents in the local area to consider the property of the scheme for which the loan is proposed and the advisability of raising the loan having regard to the paying capacity and other particulars mentioned in the application. By issuing a bare notice inviting the attention of the residents to the publication of the application in the Government Gazette, the Nadiad Municipality has in effect deprived the residents of the ready means of aqquainting themselves with the contents of the application which they could otherwise have done if the application which they could otherwise have done if the application were published in the local area and consequently such publication by reference defeats the very object of rule 7. If follows therefore that rule 7 of the Local Authorities Loans Rules has not been complied with in this case either in the spirit or in the letter. The view taken by U.S., G.D., is not correct.

Id./..... 23/1/46

Remembrancer of Legal Affairs.

U.R. to G.D., No. 617, dated the 23rd January 1946.

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